GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1765
ANSWERED ON:01.12.2011
ALLOTMENT OF PETROL PUMPS
Choudhary Shri Nikhil Kumar

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government has decided to allot new petrol pumps in various parts of the country;

(b) if so, the numbers thereof;

(c) whether the Government has relaxed the provisions regarding allotment of these petrol pumps;

(d) the additional expenditure likely to be shouldered by the petrol companies following this decision; and

(e) the likely impact on prices of petrol as a result thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI R.P.N. SINGH)

(a) to (e): Subsequent to the dismantling of Administered Pricing Mechanism (APM) with effect from 1.4.2002, public sector oil marketing companies (OMCs.), viz., Indian Oil Corporation Limited (IOC), Hindustan Petroleum Corporation Limited (HPC) and Bharat Petroleum Corporation Limited (BPC) have commercial freedom to set up Retail Outlet (RO) at locations found to be having sufficient business potential after conducting feasibility studies. Setting up of new ROs by OMCs at identified locations is an ongoing business activity based on commercial considerations. OMCs have planned to set up about 2000 ROs, including rural ROs, during the current financial year at various locations across the country and the expenditure would be in line with the norms set by each OMC. There is no direct relationship between the expenditure incurred by the OMCs in setting up new RO network and the pricing structure of petrol.